

Article - Real Property

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§10–103.

(a) Every land installment contract shall contain all the following information:

(1) The full name, the place of residence, and post office address of every party to the contract;

(2) The date when signed by the purchaser;

(3) A legal description of the property covered by the contract;

(4) A disclosure, with respect to the six-month period prior to the date of purchase, of every transfer of title to the property, the sale price of each transfer, and the substantiated cost to the vendor of repairs or improvements;

(5) A provision that the vendee has the right to accelerate any installment payment;

(6) Provisions stating clearly (i) any collateral security taken for the purchaser's obligation under the contract, and (ii) whether or not the vendor has received any written notice from any public agency requiring any repairs or improvements to be made to the property described in the contract;

(7) The following notice in 12-point bold type or larger, typewritten or handwritten legibly directly above the space reserved in the contract for the signature of the purchaser:

Notice to Purchaser

You are entitled to a copy of this contract at the time you sign it;

(8) The following notice, in 12-point bold type or larger, typewritten or handwritten legibly, directly below the space reserved in the contract for the signature of the purchaser acknowledging the receipt of a copy of the contract:

In the event of default, the purchaser may be liable to a default judgment.

(b) The contract also shall recite in simple tabular form, the following separate items in the following order:

- (1) The cash price of the property sold;
 - (2) Any charge or fee for any service which is included in the contract separate from the cash price;
 - (3) The cost to the purchaser of any insurance coverage from the date of the contract, for the payment of which credit is to be extended to the purchaser, the amount or extent and expiration date of the coverage, a concise description of the type of coverage, and every party to whom the insurance is payable;
 - (4) The sum of items (1), (2), and (3);
 - (5) The amount of any down payment on behalf of the purchaser;
 - (6) The principal balance owed, which is the sum of item (4) less item (5);
 - (7) The amount and time of each installment payment and the total number of periodic installments;
 - (8) The interest on the unpaid balance not exceeding the percentage per annum allowed by § 12-404(b) of the Commercial Law Article, provided that points may not be charged;
 - (9) Any ground rent, taxes, and other public charges.
- (c) The installment payments first shall be applied by the vendor to the payment of:
- (1) Taxes, assessments, and other public charges levied or assessed against the property and paid by the vendor;
 - (2) Any ground rent paid by the vendor;
 - (3) Insurance premiums on the property paid by the vendor;
 - (4) Interest on unpaid balance owed by the purchaser at a rate not exceeding the percentage per annum allowed by § 12-404(b) of the Commercial Law Article;
 - (5) Principal balance owed by purchaser.

(d) No vendor may place or hold any mortgage on any property sold under a land installment contract in any amount greater than the balance due under the contract, nor may any mortgage require payments in excess of the periodic payments required under the contract.

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